

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 571 - HB 1566

March 13, 2009

SUMMARY OF BILL: Requires operators of cranes with a lifting capacity of five tons or more to obtain a valid crane operator certificate received from a nationally recognized and accredited certification program that has been approved by the Department of Labor and Workforce Development (LWFD).

ESTIMATED FISCAL IMPACT:

Increase State Revenue - \$31,400

Increase State Expenditures – Not Significant

Assumptions:

- Approximately 425 inspections of crane operations subject to the provisions of this bill.
- An 85% compliance rate.
- Approximately 64 violations with citations issued each year ($425 \times .15 = 63.75$).
- Approximately 16 violations would be classified as serious. Based upon historic data, the average fine for these types of violations is \$1,355. As a result, there would be an increase in state revenue of approximately \$21,700 ($\$1,355 \times 16 = \$21,680$) attributable to such fines.
- Approximately 48 violations would be classified as non-serious. Based upon historic data, the average fine for these types of violations is \$202. As a result, there would be an increase in state revenue of approximately \$9,700 ($\$202 \times 48 = \$9,696$) attributable to such fines.
- Any increase in state expenditures for LWFD to determine suitable certification programs, verify compliance, and prepare, review and submit citations is estimated to be not significant and can be handled utilizing existing resources without an increased appropriation or reduced reversion.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly legible, and "W." in the middle.

James W. White, Executive Director

/cce